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Proposed programme budget for the biennium 2014-2015*

Part XI Capital expenditures

Section 33 Construction, alteration, improvement and major maintenance

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* A summary of the approved programme budget will be issued as A/68/6/Add.1.



Overview

Table 33.1 **Financial resources**

(United States dollars)

Approved resources for 2012-2013^a	65 051 600
Technical adjustments (removal of non-recurrent requirements)	(5 237 400)
Changes reflected in the Secretary-General's report on the budget outline for 2014-2015	(3 008 400)
Total resource change	(8 245 800)
Proposal of the Secretary-General for 2014-2015^a	56 805 800

^a At 2012-2013 revised rates.

Overall orientation

- 33.1 Section 33 sets out the resource requirements related to capital expenditure activity consisting of alterations and improvements to, and major maintenance of, the principal properties of the United Nations worldwide. This includes the modernization of existing buildings and technical installations. Capital expenditure resources are requested centrally under this section to ensure a coherent and systematic approach to facilities management, major maintenance and construction and information and communications technology operations. It should be noted that the staff and related costs for the administration and management of the activities proposed in this section are included under the respective main sections of the proposed programme budget for the biennium 2014-2015 for United Nations Headquarters, the United Nations Office at Geneva, the United Nations Office at Vienna, the United Nations Office at Nairobi, the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic and Social Commission for Asia and the Pacific (ESCAP), the Economic Commission for Africa (ECA) and the Economic and Social Commission for Western Asia (ESCWA). Section 33 does not cover requirements for post or post-related costs.
- 33.2 The long-established criteria used to decide whether a project is categorized under alteration and improvement work or under major maintenance work are as follows:
- (a) Projects that are capital-intensive and of a structural nature that would substantially alter or improve facilities or infrastructure, whether physical or information technology, are classified under alterations and improvements;
 - (b) Projects to repair or replace existing installations (e.g., heating, ventilation and air conditioning) and systems (e.g., electrical, information technology and security), or to generally maintain facilities and services in good working order, are classified under major maintenance.
- 33.3 With regard to the major maintenance component of the proposals set out in section 33, the majority of projects are recurrent, reflecting ongoing activities to ensure that buildings are maintained in good working order and that the physical and information technology infrastructure is robust, mitigating disruption of operational services. Conversely, alterations and improvement work typically consists of one-time, non-recurrent projects that may, owing to their scale and complexity, span more than one biennium (multi-year projects).

- 33.4 The projects included under this section relate to: (a) subprogramme 4, Support services, subprogramme 5, Information and communications technology strategic management and coordination, and subprogramme 6, Information and communications technology operations, of A, Headquarters; and (b) subprogramme 4, Support services, and subprogramme 6, Information and communications technology operations, of B, United Nations Office at Geneva, C, United Nations Office at Vienna, and D, United Nations Office at Nairobi, of programme 25, Management and support services, of the biennial programme plan for the period 2014-2015 (A/67/6/Rev.1).
- 33.5 The overall objectives of the subprogrammes are to ensure the efficient and effective functioning of the Secretariat with regard to office and conference facilities and asset management, and to ensure the efficient, effective and transparent achievement of the strategic, functional and operational goals of the Organization by leveraging information and communications technology. Expected accomplishments and indicators of achievement related to the accomplishment of these objectives are included within the logical framework of the Office of Central Support Services, the Office of Information and Communications Technology, and the administrative services at Geneva, Vienna and Nairobi.
- 33.6 At Headquarters, the projects proposed under the section fall under the responsibility of the Office of Central Support Services and the Office of Information and Communications Technology, as appropriate. The administrative services at Geneva, Vienna and Nairobi and the regional commissions are responsible within their respective spheres for the implementation of the projects under this section and the administration of related resources. The proposed projects relating to the safety and security of the United Nations premises in all main locations will be implemented in close coordination with the Department of Safety and Security.
- 33.7 In accordance with General Assembly resolution 52/220, the Office of Central Support Services will exercise its coordinating role in providing integrated and coordinated management policy and guidelines and technical assistance to locations outside Headquarters in the implementation of facilities management projects. The Office of Central Support Services has utilized capacity within its existing organizational structure to provide advice and guidance for a number of overseas projects, including large projects such as the construction of new office facilities at ECA, the United Nations Office at Nairobi and the new facility for the International Residual Mechanism for Criminal Tribunals, Arusha Branch. Capacity within the Office was strengthened in the biennium 2010-2011 through the establishment of the Overseas Property Management Unit, under the Facilities Management Service. This has enhanced the provision of guidance, support and technical advice to offices away from Headquarters and regional commissions in the planning, management and monitoring of their major construction projects.
- 33.8 In accordance with General Assembly resolution 65/259, the Secretary-General has commenced a strategic review, which will provide a high-level overview of existing facilities and produce a 20-year capital programme defining requirements for major maintenance, alterations and improvements, and new construction requirements. The strategic capital review, as it is known, is being coordinated by the Overseas Properties Management Unit Office of Central Support Services in close coordination with the International Public Sector Accounting Standards (IPSAS) project team and the Umoja project team to ensure continuity in policies relating to real estate management.
- 33.9 The strategic capital review is currently in the second stage of the three-stage process, described below:
- (a) The first stage, which began in May 2012 and was completed in November 2012, comprised:
- (i) the establishment of the policy framework and work methodology of the strategic capital review; (ii) the establishment of the overall scope of the project; (iii) the establishment of guidelines for data collection for existing properties; (iv) the definition of key organizational objectives for capital improvements at United Nations facilities, such as fire and life safety,

accessibility for persons with disabilities, energy efficiency, space utilization efficiency, heritage preservation and business continuity; and (v) the development of a method for establishing project priority;

- (b) The second stage, which is currently under way, is the data collection phase being conducted by offices away from Headquarters and the regional commissions;
 - (c) The third stage, which is scheduled to commence at the end of 2013, will include the development of: (i) a 20-year capital programme; (ii) a database to be used for monitoring and reporting on project performance; and (iii) a finalized project prioritization methodology.
- 33.10 In accordance with resolution 65/259, the Secretary-General will submit a detailed report on the strategic capital review at the sixty-eighth session of the General Assembly. The report will include the findings of the review and propose a 20-year capital programme and prioritization strategy for the global premises of the United Nations Secretariat. If the proposed approach, which will encompass the overall analysis, prioritization methodology and reporting framework, is approved by the General Assembly, the 20-year capital programme and prioritization strategy will become the foundation for proposed capital projects in future bienniums and will be updated during each budget cycle so that it remains a current, up-to-date rolling programme of activity.
- 33.11 With regard to the preparation of the proposed programme budget for the biennium 2014-2015, the Office of Central Support Services reviewed the proposed activities for which resources would be requested under section 33 for each of the offices away from Headquarters and the regional commissions, providing technical guidance and advice, as necessary, to ensure efficient planning and estimation of costs, in respect of the properties of the Organization and their effective overall management.
- 33.12 The Office of Information and Communications Technology, established pursuant to resolution 63/262, provides central leadership in the establishment and implementation of Organization-wide information and communications technology strategy and standards and ensures efficient utilization of resources in the modernization of information systems and the improvement of information and communications services. The Office sets the overall strategic direction and provides enterprise systems and infrastructure with a view to achieving coherence and coordination. In that context, the Office of Information and Communications Technology is responsible for centrally administering projects for upgrading the global network infrastructure in offices away from Headquarters and regional commissions, through the implementation of the enterprise network project, which is aimed at standardizing the network infrastructure equipment and bringing all networks worldwide to the same standard of functionality, quality and reliability. This has become increasingly critical in view of the implementation of centralized applications such as Umoja.
- 33.13 Pursuant to resolutions 57/304, 58/270, 63/262 and 66/246 and in line with the objectives set out by the Secretary-General in his reports on strengthening of the United Nations (A/57/387 and Corr.1) and on fostering better coordination and collaboration within the United Nations Secretariat in all information and communications technology-related matters (A/57/620, A/62/793 and Corr.1 and Add.1, A/65/491 and A/66/94), and as further confirmed by resolution 65/259, in which the General Assembly re-emphasized the importance of strong central leadership for the establishment and implementation of Organization-wide information and communications technology planning and coordination of activities, resources have been dedicated in successive bienniums since 2004-2005 under the enterprise network project to enhance information and communications technology infrastructure. The implementation of this multi-year, global project reaches completion in the biennium 2014-2015. However, recurrent global maintenance, including the global maintenance contract for the enterprise network and the maintenance and renewal of firewall software, will continue to be required in future bienniums.

- 33.14 The Palais des Nations at the United Nations Office at Geneva is facing considerable maintenance challenges stemming from rapid ageing and cumulative wear-and-tear damage over the past 70 years of use. The functionality and reliability of the main building and its annexes have been deteriorating, resulting in increasing maintenance costs for the United Nations and giving rise to concerns for the health and safety of delegates, staff and visitors at the site. In order to preserve the unique heritage and maintain the integrity and efficiency of the premises, the United Nations Office at Geneva, in coordination with the Office of Central Support Services at Headquarters, and on the basis of lessons learned during the implementation of the capital master plan at Headquarters, has been working to devise a comprehensive renovation and refurbishment programme for the Palais des Nations, referred to as the "strategic heritage plan". Resources in the amount of \$1.1 million were approved in the programme budget for the biennium 2010-2011 for the conduct of a conceptual engineering study. An additional amount of \$2,715,100 was approved under section 34 of the programme budget for the biennium 2012-2013 for contractual services in relation to the development of the detailed project implementation and phasing plan. As requested by the General Assembly in its resolution 66/247, and as indicated in annex II to the report of the Secretary-General on the proposed programme budget outline for the biennium 2014-2015 (A/67/529 and Corr.1), a report of the Secretary-General on the strategic heritage plan will be submitted to the Assembly at its sixty-eighth session. The report will reflect the detailed implementation plan and cost analysis based on the medium-term option, as requested by the Assembly in resolution 66/247.¹ Any resources for the biennium 2014-2015 that would be required in order to continue the development of the strategic heritage plan will be proposed to the General Assembly in the forthcoming report of the Secretary-General. In this regard, it should be noted that no amounts have been included in the resource requirements under section 33 contained in the present report.
- 33.15 While continued steps towards the full development of the strategic heritage plan are being pursued, it is understood that the renovation phase of the plan will not start before the General Assembly has taken a decision on the matter and the implementation of the capital master plan has been completed, in accordance with resolutions 64/243 (para. 136) and 66/247 (sect. VII, para. 6). In addition to the critical need to maintain the existing preventive major maintenance, alteration and improvement programme, the United Nations Office at Geneva has identified a number of urgent and high-priority requirements that cannot be further postponed and will need to be urgently addressed in order to be able to ensure the continuation of the mandated activities and operations as well as to maintain the operability of the buildings at the Palais des Nations.
- 33.16 With regard to the conference facilities at ECA, the General Assembly, in its resolution 65/259, requested the Secretary-General to assess the status of the facilities and to report thereon in the next annual progress report.
- 33.17 To achieve the above, the services of a team of specialized professional consultants were acquired to produce a coordinated design (architectural, structural, mechanical, electrical, information and communications technology, interior design and quantity surveying). In his report (A/67/216, para. 43), the Secretary-General stated that the terms of reference for the required consultancy services had been finalized and that the procurement process was in its final stages.

¹ As set out in para. 14 (b) of the report of the Secretary-General on the strategic heritage plan of the United Nations Office at Geneva (A/66/279). In its resolution 66/247, the General Assembly requested that the Secretary-General develop the detailed implementation plan and cost analysis based on the medium-term option (sect. VII, para. 7).

- 33.18 The Secretary-General will present an update on the consultancy work in his forthcoming report on the progress of the construction of additional office facilities at ECA, to be submitted at the sixty-eighth session. The update will include an assessment of the programme and project scope, its duration and related resource requirements. Any such resource requirements for the biennium 2014-2015 will be proposed to the General Assembly in the forthcoming report of the Secretary-General. It should be noted that preliminary estimates are not yet available and consequently have not been included in the current proposals for resource requirements under section 33 contained in the present report.

Overview of resources

- 33.19 The overall resources proposed for the biennium 2014-2015 for this budget section amount to \$56,805,800 before recosting, reflecting a net decrease of \$8,245,800 (or 12.7 per cent) compared with the 2012-2013 budget at revised rates. Resource changes result from two factors: (a) technical adjustments relating to the removal of non-recurrent requirements; and (b) resource changes reflected in the report of the Secretary-General on the proposed budget outline for the biennium 2014-2015 (A/67/529 and Corr.1).

- 33.20 The distribution of resources is reflected in tables 33.2 to 33.4 below.

Table 33.2 Financial resources by component

(Thousands of United States dollars)

Regular budget

Resource changes											
	2010-2011 expenditure	2012-2013 resources at revised rates (non-recurrent)	Technical adjustment component	New mandates and inter- component changes	In line with resolution 67/248	Reflected in budget outline report ^a	Total Percentage	Total before recosting	Recosting	2014- 2015 estimate	
A. Alterations and improvements											
1. Headquarters	3 528.3	5 247.8	—	—	—	313.4	313.4	6.0	5 561.2	264.3	5 825.5
2. Geneva	3 712.5	5 490.6	(4 016.5)	—	—	2 538.0	(1 478.5)	(26.9)	4 012.1	58.2	4 070.3
3. Vienna	2 417.5	2 551.6	(296.2)	—	—	(207.7)	(503.9)	(19.7)	2 047.7	101.6	2 149.3
4. Nairobi	6 785.1	2 846.2	—	—	—	428.8	428.8	15.1	3 275.0	380.3	3 655.3
5. ESCAP	457.6	2 885.9	(924.7)	—	—	74.9	(849.8)	(29.4)	2 036.1	172.6	2 208.7
6. ECLAC	4 921.2	977.5	—	—	—	(52.9)	(52.9)	(5.4)	924.6	58.1	982.7
7. ECA	6 856.2	2 797.1	—	—	—	(735.5)	(735.5)	(26.3)	2 061.6	559.2	2 620.8
8. ESCWA	4 197.9	—	—	—	—	66.5	66.5	—	66.5	4.2	70.7
Subtotal, A	32 876.3	22 796.7	(5 237.4)	—	—	2 425.5	(2 811.9)	(12.3)	19 984.8	1 598.5	21 583.3
B. Major maintenance											
1. Headquarters	7 392.0	12 374.3	—	—	—	(1 069.0)	(1 069.0)	(8.6)	11 305.3	537.0	11 842.3
2. Geneva	6 974.8	14 348.4	—	—	—	(3 359.2)	(3 359.2)	(23.4)	10 989.2	159.1	11 148.3
3. Vienna	1 071.9	1 165.5	—	—	—	62.5	62.5	5.4	1 228.0	60.9	1 288.9
4. Nairobi	3 372.2	3 517.0	—	—	—	(758.0)	(758.0)	(21.6)	2 759.0	320.3	3 079.3

Section 33 Construction, alteration, improvement and major maintenance

<i>Resource changes</i>											
	2010-2011 expenditure	2012-2013 resources at revised rates (non-recurrent)	Technical adjustment	New mandates and inter- component changes	In line with resolution 67/248	Reflected in budget outline report ^a	Total	Percentage	Total before recosting	Recosting	2014- 2015 estimate
5. ESCAP	1 853.4	753.0	—	—	—	(174.7)	(174.7)	(23.2)	578.3	49.0	627.3
6. ECLAC	830.7	1 506.9	—	—	—	(46.1)	(46.1)	(3.1)	1 460.8	92.0	1 552.8
7. ECA	982.5	1 305.1	—	—	—	520.9	520.9	39.9	1 826.0	489.3	2 315.3
8. ESCWA	—	440.5	—	—	—	(66.5)	(66.5)	(15.1)	374.0	23.5	397.5
Subtotal, B	22 477.5	440.5	—	—	—	(4 890.1)	(4 890.1)	(13.8)	30 520.6	1 731.1	32 251.7
C. United Nations enterprise network	5 139.9	6 844.2	—	—	—	(543.8)	(543.8)	(7.9)	6 300.4	299.5	6 599.9
Total	60 493.7	65 051.6	(5 237.4)	—	—	(3 008.4)	(8 245.8)	(12.7)	56 805.8	3 629.1	60 434.9

^a A/67/529 and Corr.1.

Table 33.3 Distribution of resources by component
(Percentage)

	<i>Regular budget</i>
A. Alterations and improvements	35.2
B. Major maintenance	53.7
C. United Nations enterprise network	11.1
Total	100.0

Technical adjustments

- 33.21 Resource changes reflect the removal of non-recurrent requirements totalling \$5,237,400, relating to the discontinuation of the one-time provisions approved in the biennium 2012-2013 for the contractual services relating to the strategic heritage plan, as approved by the General Assembly in its resolution 66/247 (\$2,715,100), and the implementation of the second phase of the standardized access control project (PACT II) in Geneva, Bangkok and Vienna (\$2,522,300), as approved by the Assembly in its resolution 66/246.

Changes reflected in the report of the Secretary-General on the budget outline for 2014-2015

- 33.22 Reductions in line with the report of the Secretary-General on the budget outline for 2014-2015 amount to \$3,008,400, as shown in table 33.2 above, representing the prioritization of programme needs by all duty stations to provide for those activities that are time-sensitive and should be undertaken during the biennium 2014-2015, either to (a) mitigate risk to the welfare of staff and visitors to the Organization's premises by ensuring compliance with safety codes, or (b) ensure that supportive maintenance to substantive programmes, such as conference servicing, is reliable and efficient, so that operations are not disrupted.
- 33.23 In achieving the overall reduction of \$3,008,400, programme managers at each duty station have reassessed the relative distribution of resource requirements between alterations and improvements

and major maintenance. The majority of duty stations have identified reductions in requirements for recurrent, ongoing major maintenance, which has yielded an aggregate decrease of \$4,890,100, as shown in table 33.2 above. This is offset in part by a net increase in alterations and improvements of \$2,425,500, which arises predominantly from additional requirements in the amount of \$2,538,000 to continue necessary work at the United Nations Office at Geneva until such time as the strategic heritage plan comes into effect. In addition, the total requirements under alterations and improvements include lesser increases at both the United Nations Office at Nairobi (\$428,800), primarily as a result of the commencement of a multi-year electrical upgrade project, and at Headquarters (\$313,400), as a result of upgrades to the main cafeteria and the replacement of exhaust fans in the garage, which are not in the present scope of the capital master plan renovation project.

- 33.24 Section 33 undergoes reprogramming, including reprioritization, by programme managers each biennium because it contains a portfolio of programme activities, only a portion of which give rise to recurrent requirements for maintenance, with the remainder being new or multi-year projects for specific capital work. Each proposed programme budget for a new biennium reflects the completion of non-recurrent activities and the introduction of newly programmed, non-recurrent activities in their place.
- 33.25 Table 33.4 below subcategorizes the resource requirements related to projects proposed under the present section under alterations and improvements and major maintenance into: (a) deferred activity; (b) multi-year phased projects; (c) recurrent projects; or (d) new activity. The breakdown by subcategory allows the aggregate portfolio of activities proposed under section 33 to be viewed in terms of nature and duration.

Table 33.4 Nature and duration of projects proposed for the biennium 2014-2015 by duty station (before recosting)

(Thousands of United States dollars)

Description	Headquarters	Geneva	Vienna	Nairobi	ESCAP	ECLAC	ECA	ESCWA	Total
A. Alterations/improvement activity									
Deferred activity from prior period(s)	-	-	-	714.3	-	233.8	464.9	-	1 413.0
Multi-year phased projects	3 388.1	1 350.0	-	2 307.6	1 394.8	40.0	1 227.4	-	9 707.9
Recurrent activity	600.0	-	2 047.7	253.1	-	49.1	265.3	-	3 215.2
New activity for 2014-2015	1 573.1	2 662.1	-	-	641.3	601.7	104.0	66.5	5 648.7
Subtotal, A	5 561.2	4 012.1	2 047.7	3 275.0	2 036.1	924.6	2 061.6	66.5	19 984.8
B. Major maintenance									
Deferred activity from prior period(s)	-	-	-	-	-	120.0	664.6	-	784.6
Multi-year phased projects	-	6 826.3	-	-	398.3	108.4	-	-	7 333.0
Recurrent activity	11 305.3	4 162.9	1 228.0	2 759.0	-	396.0	92.1	374.0	20 317.3

Description	Headquarters	Geneva	Vienna	Nairobi	UNSCAP	ECLAC	ECA	ESCWA	Total
New activity for 2014-2015	—	—	—	—	180.0	836.4	1 069.3	—	2 085.7
Subtotal, B	11 305.3	10 989.2	1 228.0	2 759.0	578.3	1 460.8	1 826.0	374.0	30 520.6
C. United Nations enterprise network	—	2 249.7	700.3	1 477.1	373.0	340.5	1 012.5	147.3	6 300.4
Total	16 866.5	17 251.0	3 976.0	7 511.1	2 987.4	2 725.9	4 900.1	587.8	56 805.8

- 33.26 As illustrated in table 33.4 above, a number of the projects for which resources are requested under the present section for the biennium 2014-2015 represent the commencement or continuation of multi-year projects (\$23,341,300, or 41.1 per cent), including the decade-long enterprise network project (\$6,300,400), as well as a small number of projects that were deferred from the previous biennium owing to competing priorities (\$2,197,600, or 3.9 per cent). It can also be seen that recurrent activity (\$23,532,500, or 41.4 per cent) is predominantly under major maintenance (\$20,317,300), with a relatively small amount under alterations and improvements (\$3,215,200). The remainder of the resources requested represent new activity for the biennium 2014-2015 (\$7,734,400, or 13.6 per cent).

Other information

- 33.27 The proposals set out above should be considered in the context of the value (excluding land) of United Nations-owned buildings. The valuation of United Nations-owned buildings undertaken in 2010 gave an aggregate estimated value of the Organization's portfolio of \$1,985,854,200.² In the light of the approval by the General Assembly, in its resolution 60/283, of the adoption of IPSAS, this historical valuation will be superseded by an IPSAS-compliant "fair value" approach in the financial statements of the Organization for the period ended December 2014.

A. Alteration, improvement and major maintenance programmes

1. Headquarters

Resource requirements (before recosting): \$16,866,500

- 33.28 The total provision of \$16,866,500 at Headquarters consists of \$5,561,200 for alterations and improvements, with approximately 60.9 per cent of the proposals being multi-year phased projects, 10.8 per cent being recurrent projects and the remaining 28.3 per cent being new activity; and \$11,305,300 for major maintenance activity, all of which is recurrent.

² As set out in sect. 34 of the proposed programme budget for the biennium 2012-2013. This valuation does not take into consideration: (a) the revaluation of the United Nations Headquarters following the completion of the implementation of the capital master plan; (b) the valuation of the new office facilities at the United Nations Office at Nairobi, which were constructed at an estimated cost of approximately \$24 million; and (c) the valuation of the new office facilities at ECA, which are being constructed at an estimated cost of approximately \$15.3 million. The valuation does not include the Vienna International Centre, which is the property of the Government of Austria and is valued at \$1,300 million.

- 33.29 As regards alterations and improvements, a provision of \$5,561,200 would cover the following:

(United States dollars)

(a) Improvement of facilities and general infrastructure	742 300
(b) Improvement to the information and communications technology infrastructure	4 818 900
Total	5 561 200

- 33.30 As regards major maintenance, a provision of \$11,305,300 would cover the requirements for the maintenance of premises, including the maintenance requirements for the reoccupied Secretariat Building. The provision under major maintenance can be summarized as follows:

(United States dollars)

(a) Major maintenance of facilities and general infrastructure	8 600 700
(b) Major maintenance of security and safety installations	2 704 600
Total	11 305 300

- 33.31 Given the return of staff to the Secretariat Building in 2012 and to the Conference Building in 2013, maintenance requirements for the biennium 2014-2015 reflect a return to pre-capital-master-plan levels, with a full return envisaged after the completion of the renovation of the General Assembly Building in 2014. The total provision requested for the biennium 2014-2015 reflects a net decrease of \$755,600, or 4.3 per cent, compared with the approved resources at revised rates for the biennium 2012-2013. This decrease is a result of the combined effect of:

- (a) An anticipated reduction of \$1,554,300 in the major maintenance requirements for space configuration adjustments, from \$2,354,300 in the biennium 2012-2013 (at revised rates) to \$800,000 in the biennium 2014-2015. The requirements for the biennium 2012-2013 were increased in anticipation of a significant number of requests for space configuration adjustments following the completion of the renovation of the Secretariat Building under the capital master plan. Accordingly, it is anticipated that the number of requests for space configuration adjustments will decline in 2014-2015;
- (b) An increase in requirements for the maintenance of carpets, upholstery and draperies of \$335,500, resulting primarily from the maintenance of the automated blinds in the Secretariat Building and fire retardant treatments;
- (c) An increase of \$215,000 for information technology network capacity to upgrade the bandwidth to support increases in network traffic;
- (d) A net increase of \$468,900 in facilities alterations and improvements projects, which reflects the start of upgrades to the main cafeteria (\$549,300) and the replacement of exhaust fans in the garage (\$192,500), against the removal of one-time provisions for projects in the biennium 2012-2013 (\$273,400) for the canine unit area repair and the provision of a permanent courtroom for the United Nations Dispute Tribunal;
- (e) Various movements in other categories of activity, each less than \$200,000, with the exception of utilities maintenance and support, where a marginal net increase of \$21,900 arises from a reduction of \$1,168,400 in heating, ventilation and air-conditioning maintenance requirements, which is offset fully by an increase of \$1,190,300 in electrical maintenance requirements.

2. United Nations Office at Geneva

Resource requirements (before recosting): \$15,001,300

- 33.32 The total provision of \$15,001,300 for the United Nations Office at Geneva consists of \$4,012,100 for alterations and improvements, with approximately 33.6 per cent being multi-year phased projects and 66.4 per cent being new projects, and \$10,989,200 for major maintenance projects, with approximately 62.1 per cent being multi-year phased projects and 37.9 per cent being recurrent projects.
- 33.33 The selection of the proposed requirements for the forthcoming biennium 2014-2015 has been made in a strategic and planned manner, with a view to ensuring that the work would not need to be repeated in the context of the strategic heritage plan, should the General Assembly authorize its commencement, and would lead to a commensurate reduction of the overall costs of the renovation of the Palais des Nations. The selection of the proposed requirements took into consideration the considerable maintenance challenges faced and the necessity to:
- (a) Ensure the health, safety and security of the delegates, staff, contractors and visitors at the Palais;
 - (b) Maintain business continuity and the operability of the buildings at the Palais, and reduce the risk of failure, closure of conference rooms, and interruption of meeting sessions, and continue to provide conference facilities to Member States;
 - (c) Make the appropriate investment in the regular upkeep of the current infrastructure maintenance in order to avoid more costly solutions in the future;
 - (d) Maximize the use of available office space in the Palais in a more efficient and effective manner to enhance the capacity to consolidate more entities in the Palais grounds, as well as to contribute to a reduced need for swing space in the context of the strategic heritage plan, should its implementation be approved by the General Assembly.
- 33.34 The total provision reflects a net decrease of \$4,837,700, or 24.4 per cent, compared with the resources at revised rates for the biennium 2012-2013. The decrease is attributable to: (a) the discontinuation of the one-time provision approved in the biennium 2012-2013 for the contractual services relating to the strategic heritage plan, as approved by the General Assembly in its resolution 66/247 (\$2,715,100); (b) the discontinuation of the one-time provision approved in the biennium 2012-2013 for the implementation of PACT II, as approved by the Assembly in resolution 66/246 (\$1,301,400); and (c) a decrease of \$3,359,200 under major maintenance owing to the completion of a number of projects in the biennium 2012-2013; offset by (d) an increase of \$2,538,000 under alterations and improvements, representing high-priority requirements that cannot be postponed until the strategic heritage plan comes into effect, in order to ensure the safe operability of the buildings at the Palais des Nations and the procurement of network switches to replace the existing switches in July 2015, when they will cease to be supported by the original vendor.
- 33.35 As regards alterations and improvements, a provision of \$4,012,100 would cover the following:

(United States dollars)

(a) Improvement of conference facilities and general infrastructure	2 662 100
(b) Improvement to the information and communications technology infrastructure	1 350 000
Total	4 012 100

- 33.36 As regards major maintenance, a provision of \$10,989,200 would cover activities in the areas of heating, ventilation, air conditioning, sewer and electrical systems maintenance, and urgent structural and architectural maintenance, including the replacement of elevators and other maintenance, in order to ensure the reliability of the premises and the safety of delegates, staff and visitors, as well as the urgent maintenance of the congress system of the conference facilities in order to maintain business continuity and reduce the risk of failure and closure of conference rooms.

- 33.37 The provision under major maintenance can be summarized as follows:

(United States dollars)

(a) Major maintenance of facilities and general infrastructure	7 987 800
(b) Major maintenance of security and safety installations	3 001 400
Total	10 989 200

3. United Nations Office at Vienna

Resource requirements (before recosting): \$3,275,700

- 33.38 The total provision of \$3,275,700 consists of \$2,047,700 for alterations and improvements, with 100 per cent being recurrent projects; and \$1,228,000 for major maintenance, also entirely for recurrent projects.
- 33.39 The resources requested for 2014-2015 would cover the share of the United Nations Office at Vienna of the cost of improving and maintaining the Vienna International Centre, which is managed by the United Nations Industrial Development Organization on a cost-shared basis through an agreement between the organizations based at the Centre and the host Government (as regards major maintenance projects). The requested amount is calculated based on the current share of the United Nations Office at Vienna, which is 22.670 per cent³ of the total alteration, improvement, and major maintenance requirements.
- 33.40 The total provision reflects a net decrease of \$441,400, or 11.9 per cent, compared with the resources at revised rates for the biennium 2012-2013, owing partly to the reduction of the one-time provision for the second phase of the standardized access control project (\$296,200), and partly to the decrease of the share of the United Nations Office at Vienna of the total alteration and major maintenance cost, from 22.843 per cent to 22.670 per cent, based on its space usage, staffing and workload levels (\$145,200).
- 33.41 As regards alterations and improvements, a provision of \$2,047,700 would cover the contribution of the United Nations Office at Vienna to the Common Buildings Management Fund based on the agreement between the organizations based at the Vienna International Centre.

³ This represents a decrease from the level of 22.843 per cent applied for the biennium 2012-2013. The ratio is calculated on the basis of a composite of the space, staff and workload of the four organizations in determining the respective share of the costs.

- 33.42 The provision under alterations and improvements can be summarized as follows:

(United States dollars)

(a) Cost-shared improvement of facilities and general infrastructure	2 047 700
Total	2 047 700

- 33.43 As regards major maintenance, a provision of \$1,228,000 would cover the contribution of the United Nations Office at Vienna to the Common Fund for Financing Major Repairs and Replacements based on the agreement between the host Government and the organizations based at the Vienna International Centre. The provision under major maintenance can be summarized as follows:

(United States dollars)

(a) Cost-shared major maintenance of facilities and general infrastructure	1 228 000
Total	1 228 000

4. United Nations Office at Nairobi

Resource requirements (before recosting): \$6,034,000

- 33.44 The total provision of \$6,034,000 consists of \$3,275,000 for alterations and improvements, with approximately 21.8 per cent being deferred projects, 70.5 per cent being multi-year phased projects and 7.7 per cent being recurrent projects; and \$2,759,000 for major maintenance entirely for recurrent projects.
- 33.45 The total provision reflects a net decrease of \$329,200, or 5.2 per cent, compared with the resources at revised rates for the biennium 2012-2013. The decrease is attributable to: (a) a reduction in the estimated requirements for the maintenance of security and safety installations (\$504,000); and (d) a reduction in the estimated requirements for major maintenance, relating primarily to electrical and general maintenance (\$254,000); offset by (c) an increase in the estimated requirements for alterations and improvements, primarily a result of the proposed commencement of a new multi-year electrical upgrade project, as well as the continuation of all of the multi-year projects from the biennium 2012-2013 (\$428,800).
- 33.46 As regards alterations and improvements, a provision of \$3,275,000 would cover the following:

(United States dollars)

(a) Improvement of facilities and general infrastructure	2 912 000
(b) Improvement to the information and communications technology infrastructure	253 100
(c) Improvement of conference facilities	109 900
Total	3 275 000

- 33.47 As regards major maintenance, a provision of \$2,759,000 would cover the air-conditioning and electrical systems, structural and architectural maintenance, maintenance of grounds and general storage facilities, and other urgent maintenance. The provision under major maintenance can be summarized as follows:

(United States dollars)

(a) Major maintenance of facilities and general infrastructure	1 759 000
(b) Major maintenance of security and safety installations	1 000 000
Total	2 759 000

5. Economic and Social Commission for Asia and the Pacific

Resource requirements (before recosting): \$2,614,400

- 33.48 The total provision of \$2,614,400 consists of \$2,036,100 for alterations and improvements, with approximately 68.5 per cent being multi-year phased projects and 31.5 per cent being new projects; and \$578,300 for major maintenance, with approximately 68.9 per cent being recurrent projects and 31.1 per cent being new projects.
- 33.49 The total provision reflects a net decrease of \$1,024,500, or 28.2 per cent, compared with the resources at revised rates for the biennium 2012-2013. The decrease reflects: (a) the discontinuation of a one-time provision in 2012-2013 for the implementation of PACT II (\$924,700); (b) a reduction in proposed requirements for security improvements (\$354,800); and (c) a reduction in proposed requirements for major maintenance (\$174,700); offset by (d) an increase in requirements related to alterations and improvements (\$429,700).
- 33.50 As regards alterations and improvements, a provision of \$2,036,100 would cover the following:

(United States dollars)

(a) Improvement of technological infrastructure	438 400
(b) Improvement in safety and security	1 597 700
Total	2 036 100

- 33.51 As regards major maintenance, a provision of \$578,300 would cover the refurbishment of building exteriors and design work in relation to the replacement of major equipment.

6. Economic Commission for Latin America and the Caribbean

Resource requirements (before recosting): \$2,385,400

- 33.52 The total provision of \$2,385,400 consists of \$924,600 for alterations and improvements, with approximately 25.3 per cent being deferred projects, 4.3 per cent being multi-year phased projects, 5.3 per cent being recurrent projects, and 65.1 per cent being new projects; and \$1,460,800 for major maintenance, with approximately 8.2 per cent being deferred projects, 7.4 per cent being multi-year phased projects, 27.1 per cent being recurrent projects and 57.3 per cent being new projects.

- 33.53 The total provision represents a decrease of \$99,000, or 4.0 per cent, compared with the resources at revised rates for the biennium 2012-2013. The decrease is attributable to a reprioritization of activities relating to both alterations and improvements and major maintenance.

- 33.54 As regards alterations and improvements, a provision of \$924,600 would cover the following:

(United States dollars)

(a) Improvement of facilities and general infrastructure	835 500
(b) Improvement of security and safety of the premises	89 100
Total	924 600

- 33.55 As regards major maintenance, a provision of \$1,460,800 would cover the retrofitting of the interiors of the library, the clinic/health unit and the press area office space, as well as the maintenance of heating, ventilation and air-conditioning systems, roof repairs, the replacement of obsolete diesel tanks and power generator, and the maintenance of security systems. The provision under major maintenance can be summarized as follows:

(United States dollars)

(a) Major maintenance of facilities and general infrastructure	849 800
(b) Major maintenance of security and safety installations	611 000
Total	1 460 800

7. Economic Commission for Africa

Resource requirements (before recosting): \$3,387,600

- 33.56 The total provision of \$3,387,600 consists of \$2,061,600 for alterations and improvements, with approximately 22.6 per cent being deferred projects, 59.5 per cent being multi-year phased projects, 12.9 per cent being recurrent projects and 5.0 per cent being new projects; and \$1,826,000 for major maintenance, with approximately 36.4 per cent being deferred projects, 5.0 per cent being recurrent projects and 58.6 per cent being new projects.

- 33.57 The total provision reflects a net decrease of \$214,600, or 5.2 per cent, compared with the resources at revised rates for the biennium 2012-2013. The net decrease reflects: (a) the completion of a number of the alteration and improvement activities in 2012-2013 (\$453,700), including the completion of the first phase of the renovation of Africa Hall; (b) a reduction in the proposed requirements for security improvements (\$281,800); and (c) a reduction in the proposed requirements for security maintenance (\$141,700); offset in part by (d) new major maintenance activities (\$662,600), relating primarily to maintenance of the United Nations Conference Centre building.

- 33.58 As regards alterations and improvements, a provision of \$2,061,600 would cover the following:

(United States dollars)

(a) Improvement of facilities and general infrastructure	308 600
(b) Improvement of conference facilities and related infrastructure	1 125 100
(c) Improvement in security and safety	627 900
Total	2 061 600

- 33.59 As regards major maintenance, a provision of \$1,826,000 would cover the maintenance of the United Nations Conference Centre building, maintenance of facilities at the subregional offices and security maintenance. The provision under major maintenance can be summarized as follows:

(United States dollars)

(a) Major maintenance of facilities and general infrastructure	654 600
(b) Major maintenance of conference facilities and related infrastructure	915 500
(c) Major maintenance of security and safety installations	255 900
Total	1 826 000

8. Economic and Social Commission for Western Asia

Resource requirements (before recosting): \$440,500

- 33.60 The provision of \$440,500 is for (a) major maintenance for the security facilities installed under the implementation of the standardized access control project during the biennium 2010-2011, being a recurrent project (\$374,000); and (b) basement upgrades for security purposes, being a new project (\$66,500). The total provision reflects no change to the resources at revised rates for the biennium 2012-2013.

B. United Nations enterprise network

Resource requirements (before recosting): \$6,300,400

- 33.61 In the biennium 2004-2005, as the need for enterprise applications grew, the Secretariat initiated a major project to replace and standardize the existing network that connects all major offices (Headquarters and offices away from Headquarters) through a more coherent and scalable approach. This work in progress will enable the network to meet the future demand of enterprise systems hosted in central locations such as the United Nations Logistics Base at Brindisi, Italy, and to support the growing demand driven by media-rich applications. It also incorporates an Organization-wide major initiative to migrate from traditional telephone systems to Internet protocol telephony. Significant progress has already been achieved in recent bienniums. Once fully completed, the new system will allow for the harmonization of telephone operations at all offices, and improve the overall interoperability and the management of telephone services.
- 33.62 The enterprise network project is administered by the Office of Information and Communications Technology (before 2009, it was administered by the Information Technology Services Division within the Office of Central Support Services). The procurement of equipment, such as standardized switches and routers, is undertaken centrally to the extent possible in order to qualify for bulk discounts, and the equipment is installed at each duty station to bring the local network up to the standard at Headquarters.
- 33.63 During the biennium 2004-2005, resources were provided to replace the disparate array of equipment, supplied by numerous vendors, that was being used at various duty stations. In the biennium 2006-2007, network infrastructure improvements were implemented to allow support for future desktop videoconferencing, Internet protocol telephony, business continuity requirements, and real-time connectivity to United Nations enterprise applications, such as the Integrated Management Information System. In the biennium 2008-2009, resources were approved for undertaking the most pressing projects at the United Nations Office at Geneva and the United

Nations Office at Nairobi for the limited replacement of the cable infrastructure. In the biennium 2010-2011, resources were approved for the first phase to replace the obsolete private automatic branch exchange telephony systems at the United Nations Office at Nairobi and ESCAP with an Internet protocol telephony system. In the biennium 2012-2013, resources were approved for the continuation of the implementation of Internet protocol telephony at the United Nations Office at Geneva (Palais Wilson), ECA and ESCAP. As previously reported in the context of the proposed programme budget for the biennium 2012-2013, it is expected that the Internet protocol telephony system upgrade under the enterprise network initiative will be completed in the biennium 2014-2015.

- 33.64 Following a review conducted by the Office of Information and Communications Technology of the current state of the network infrastructure and technical requirements in all offices away from Headquarters and the regional commissions, a provision of \$6,300,400 is proposed for the phased implementation of the enterprise network in the biennium 2014-2015 to cover three major requirements:
- (a) An amount of \$3,560,800 for the continuation of the implementation of the Internet protocol telephony system in the United Nations Office at Geneva and the United Nations Office at Nairobi, as well as minor enhancements of the system at the United Nations Office at Vienna, ECA, ECLAC and ESCWA. Given that the implementation of the system was recently completed at ESCAP, no resources are required for that office in the biennium 2014-2015;
 - (b) An amount of \$2,520,400 for the continuation of the consolidated maintenance contract for all offices away from Headquarters and regional commissions;
 - (c) An amount of \$219,200 for the maintenance and renewal of Checkpoint firewall software at the United Nations Office at Geneva, the United Nations Office at Vienna, the United Nations Office at Nairobi, ECLAC, ESCAP, ECA and ESCWA.
- 33.65 Full implementation of the Internet protocol telephony system project will be achieved in the biennium 2014-2015 with the completion of its implementation at the United Nations Office at Geneva and the United Nations Office at Nairobi. It is anticipated that requirements for enterprise network activities beyond the biennium 2014-2015 will comprise the costs of minor enhancements and upgrades to the Internet protocol telephony system, as required, as well as the recurrent costs of the consolidated maintenance contract and the maintenance and renewal of Checkpoint firewall software on behalf of all duty stations.